"Shazam" may have graduated from startup to verb, but Blue Spike patents threaten to ma... Page 1 of 1 Case 6:12-cv-00499-RWS-CMC Document 1020-5 Filed 10/07/13 Page 1 of 1 PageID #: 12023

Art | Science | Technology | Company | Contact Us |

at less have graduated from startup to verb, but Blue Spike patents threaten to

Shazam appears to have solved one of life's major curses—the torture of replaying fragments of an unknown song in one's head, never knowing the source. It's no wonder that by targeting such a pervasive itch, Shazam continues to grow, boasting a quarter of a billion users at last count. And now that the company is backed by VC firm Kleiner Perkins, analysts sense an IPO on the horizon.

The magic of Shazam's flagship product is its simplicity. Point your smart phone at an audio source, blink twice, and voila, Shazam identifies the song or TV show playing. But don't be fooled. This seemingly simple process is powered by a hefty bit of technology. Here's a look behind the scenes:

- Shazam's smart phone app makes a "fingerprint" of the audio clip, molding it into a digital abstract with the help of complex algorithms.
- The smart phone app sends the digital abstract to Shazam.
- Shazam looks for a match, comparing the clip;s unique digital abstract with all of the digital fingerprints in its vast
- · Shazam notifies you when it finds a match.

It's impressive technology, but does Shazam own it? Like any invention, this technology can be protected by patents, and (simplifying things a bit) patents protect on a first-come, first-served basis. The question is, was Shazam first to create this technology? One company, Blue Spike, LLC, answers "No."

Blue Spike, LLC is a Texas-based software company with several software products, such as The Giovanni® Abstraction Machine™. The company's CEO is none other than pioneering inventor Scott Moskowitz, author of over 73 patents. In fact, at least four of those patents specifically describe an abstracting process, also known as fingerprinting, that Shazam is now touting as its own. Moskowtiz claims this technology has powered his Blue Spike products since the turn of the century.

Blue Spike says Shazam is stealing its invention. In an effort to protect its software business and valuable intellectual property, it has filed suit against Shazam. As a valid patent holder, Blue Spike has the right to prevent others from profiting off of its inventions. With IP litigation firm Garteiser Honea in its corner, Blue Spike is flexing its proprietary patent right to exclude, seeking injunctive relief against Shazam.

What does this mean for Shazam? It means they'd better be preparing to negotiate. Patent disputes are commonplace in the lifecycle of a growing tech company and are often resolved through licensing agreements or outright sales of the patent. Some disputes continue through to trial and judgment. Regardless of the course it takes, Shazam will have to meet Blue Spike's claims head on, especially if it hopes to reach an IPO in the near future.

As the case between Shazam and Blue Spike matures, it will become more evident just how destructive the Blue Spike patents are to Shazam's future. And if Shazam doesn't move quickly to minimize the damage, it may very well box itself into a coffin of borrowed technology, with Blue Spike acting as the proverbial nail.

Sitemap | Art | Science | Technology | Company | Contact Us |

Copyright © 1997-2013 Blue Spike, Inc. Giovanni, Scrambler, the Blue Spike logo, and the Giovanni logo are trademarks of Blue Spike, Inc. "Didya Use Protection," "Digi Use Protection" and "recognition, recognition, recognition" are also trademarks of Blue Spike, Inc. "Blue Spike" and "Giovanni" are registered trademarks. All other trademarks are the property of their respective owners. The Company reserves the right to make alterations or amendments to the information in this document and/or product specifications at its discretion. No freedom to use patents or other intellectual property rights is implied by the publication of materials on this Web site or to off-site documents to which it directs readers. Send comments and suggestions to webmaster@bluespike.com.